

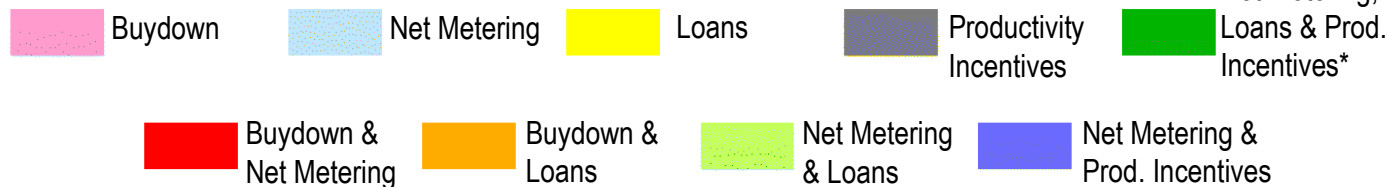
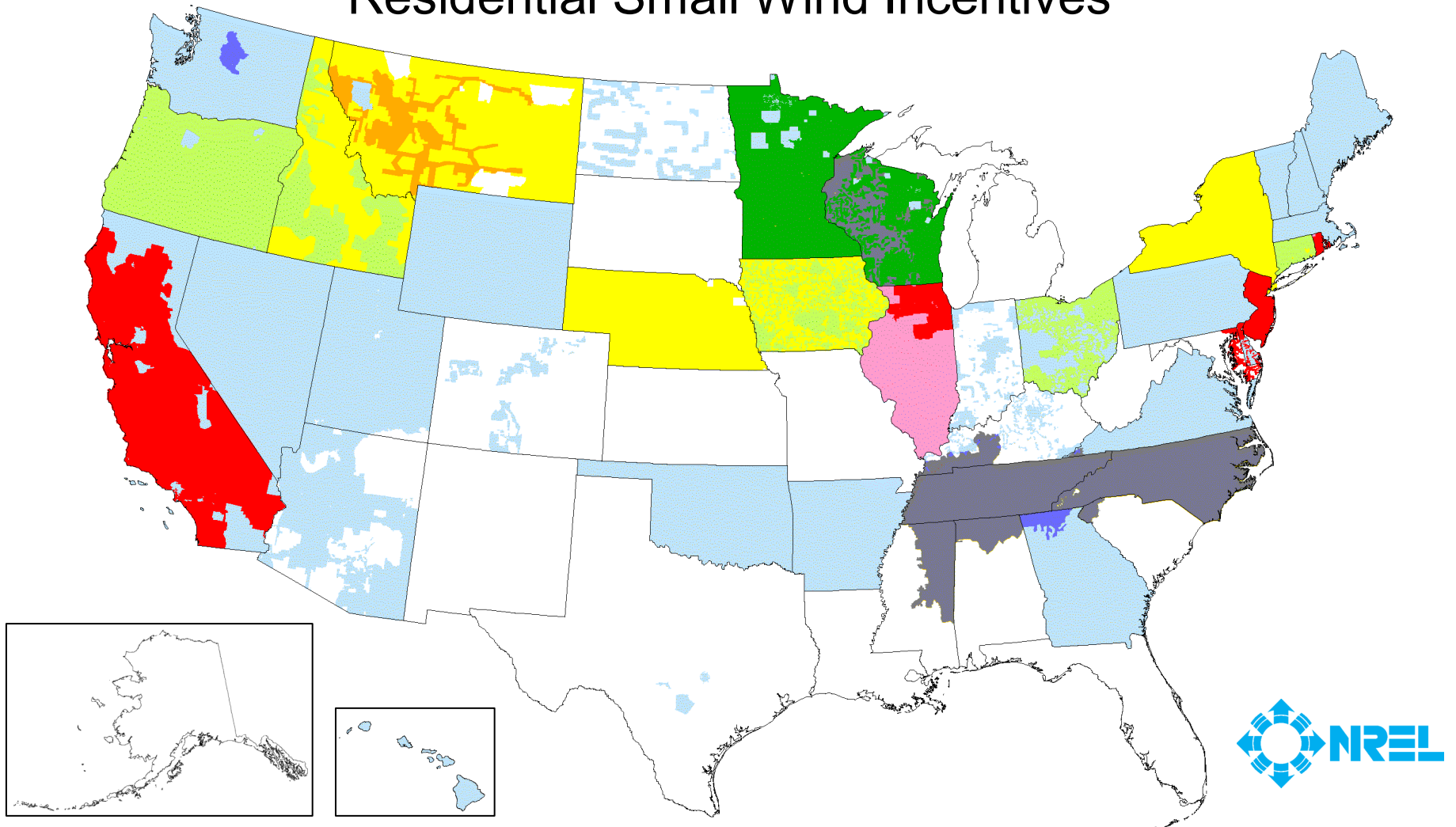
Policy Options for Small Wind

- Investment Incentives (rebates, buy-downs, grants, etc.)
- Investment Tax Credits
- Net Metering
- Sales Tax Reductions/Exemptions
- Property Tax Reductions
- Uniform Zoning Requirements
- Low Interest Loans
- Line Extension Policies

Strategies for Supporting Wind Energy, A Review and Analysis of Policy Options, <http://www.nationalwind.org/pubs/strategies/default.htm>



Residential Small Wind Incentives



*In Minnesota, loans apply only to farmers.

May 6, 2003



Net Metering of Renewable Energy

Energy
consumed
immediately:
retail rate

Excess energy used to
offset consumption at
another time: retail rate

Net excess energy
(determined monthly or annually):
retail rate, avoided cost, or given
to the utility

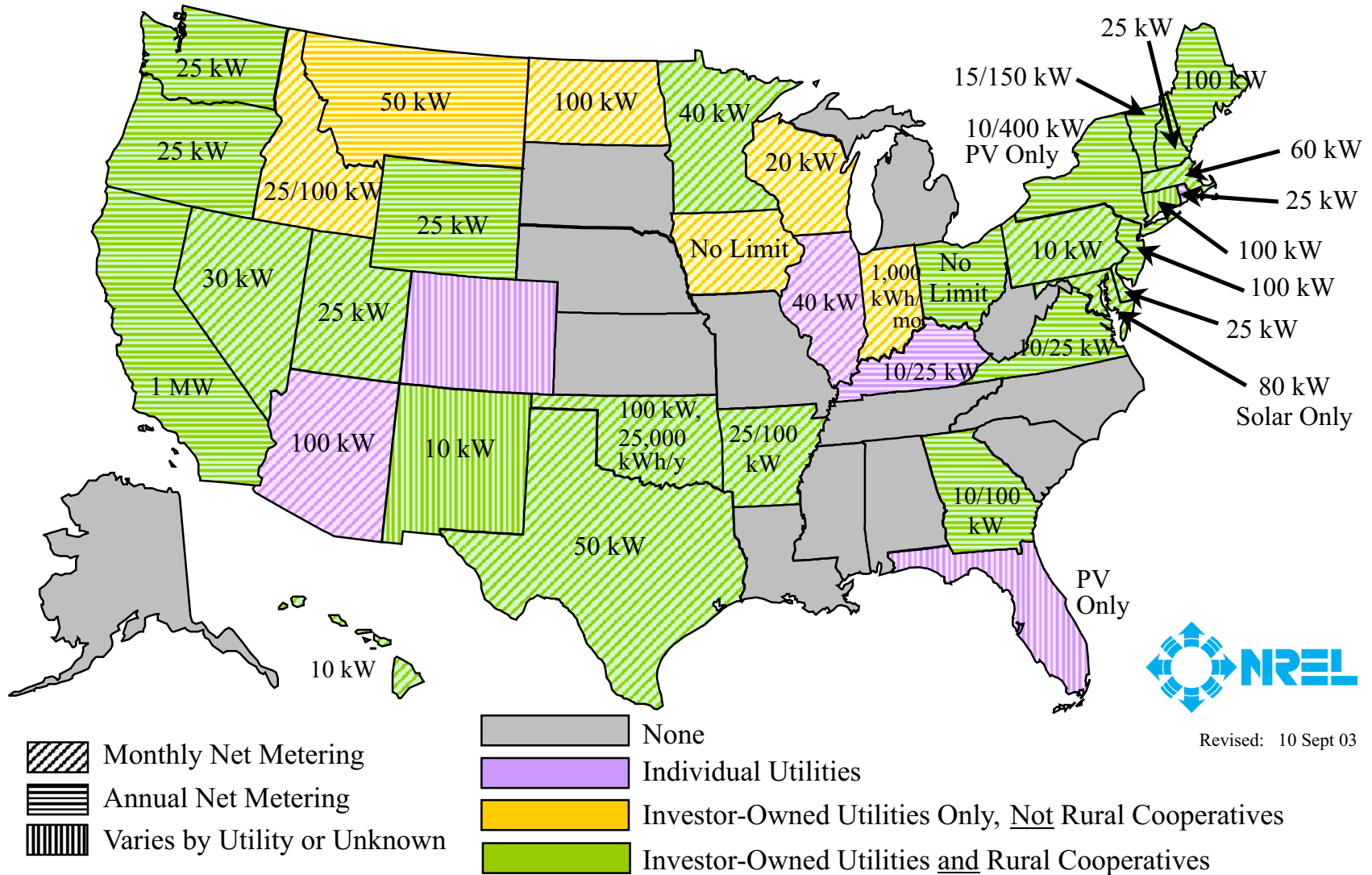


Net Metering of Renewable Energy

- Excess wind power turns the electric meter backward
- Bill is based on the “net” consumption/generation (monthly or annually)
- Net metering of wind energy is available to:
 - All residential (including rural) customers in 24 states
 - Some residential customers (mostly urban) in 10 other states



Net Metering by State



2002 Farm Bill

Renewable Energy Incentives

- Renewable Energy Systems and Energy Efficiency Improvements
 - \$23 million/year for 5 years, 2003-2007
 - <http://www.rurdev.usda.gov/rd/farmbill/9006resources.html>
 - <http://www.rurdev.usda.gov/rd/nofas/2003/rep040803.pdf>
(For 2003, applications due June 6)
- Value-Added Producer Grants
 - \$40 million/year for 6 years, 2002-2007
 - NOFA (Notice of Funds Available) expected summer 2003
 - <http://www.rurdev.usda.gov/rbs/coops/vadg.htm>